

BEST AVAILABLE COPY

@theU
BUSINESS PLAN
December 1, 1999

CONCEPT

@theU is an interactive website that provides student oriented services to high school, and college students, and college graduates. The services enable current and prospective college students to obtain and review information about the financial aid processes required to attend college and secure grants, loans and scholarships that are available across the nation. Consumer services are also available that are oriented towards the student consumer to provide the products and services students often utilize. The cornerstone of the business is providing a loyalty program for all members whereby utilization of the sites services will enable the member to earn points that can be redeemed to apply to their student loan and reduce the loan's balance. Thus any purchases the student may do as a matter of course, like textbooks, can be done through the sites e-commerce engine that will result in the ability for the student to in essence apply a rebate from the purchase to their student loan balance. Users do not need to be students. Parents or friends may also establish loyalty accounts, which can then be transferred or designated for the use of their children or friends student loan reductions.

Internet research firm NFO Interactive has found that a high percent of Internet users are willing to increase spending on sites that offer loyalty programs and that 83% of Web shoppers utilize some kind of online incentive program.

BUSINESS GOALS

The primary business goal of @theU is to build an e.com business that will create a very high business market value due to the membership, and web traffic the site generates. The secondary business goal is to create a service that will enhance the desirability of Unipac in the student loan marketplace, and cause additional business to be driven to Unipac and Unipac's lending partners due to the student consumer's demand that their student loans be serviced at Unipac. The site will also encourage other lenders in the marketplace to form servicing relationships with Unipac in order for them to benefit from loan volume @theU generates.

PRINCIPALS OF OPERATION

@theU has several principals of philosophical operation that it adheres to:

- The site will be non-commercial and free from the many banner advertisements and other inducements often present in other web sites.
- The site will remain "open", accessible to all individuals across the nation, regardless of their lender or servicer affiliations. Membership will be required

only to execute purchase transactions and to earn Unibucks in the loyalty program.

- The site will never sell, use or commercialize the personal membership data that is accumulated for users.
- The site will remain current with technology and product offering. Changes will be proactive and frequent.

SERVICES AND FEATURES

- Financial Aid. The site provides extensive information on what Federal regulations are applicable to financial aid and the types of aid available. How forms are filled out, and how the processes work at the school is included. A national scholarship search is provided that includes over 8000 scholarship programs distributing millions of dollars. Information on Federal and Private loans is provided as well as on-line applications for both. A Financial Aid calendar and how to apply for financial aid instructions are provided along with much other information on financing college education.
- Campus Newspaper. Merely clicking on the desired college can instantly access relevant newspaper articles from across the wide variety of college campuses and local communities.
- Event Calendar. Concert and Tour event dates and locations are provided by artist by simply filling in the appropriate query.
- Road Trip. Any and all travel accommodations can be made through @theU partner Travelocity. Travelocity is one of the largest on-line web travel agencies in the world. Airfare, hotels and car rentals can all be browsed and booked through this service.
- Campus Store. This is the e-commerce service where virtually any product can be purchased. @theU provides two shopping engines, the first an "Outlet" mall concept through Inktomi that provides for special bargains on merchandise retailers are deeply discounting, and a "Shopping" mall where over 100 name brand merchants can be accessed through the Linkshare shopping engine. Only purchases made through the Campus Store earn Unibucks loyalty points. @theU has contractual arrangements with both engine providers to pay commissions on purchases made by @theU members that are used to fund the site and the Unibucks loyalty program.
- ATM. The ATM function provides historical account information for each member regarding the purchases they have made and the balance in their Unibucks account. Redemptions and transfers also are recorded here.

- Registrars Office. This function allows users to register to become members of @theU in order to utilize the Campus Store and Unibucks services.
- Message Board. The Message Board lists frequently asked questions and their responses.
- Post Office. If a member wishes to contact @theU with a question or respond to our survey questions they may do so at this location.

FUTURE SERVICES

There are many future services that will be added to the site. Some of the features that will be provided in the near future are:

- College Search Software. This will likely be the Peterson's College Guide. This will provide detailed college and campus data for most of the colleges across the country.
- Financial Aid Calculator. A more detailed calculator will be provided to help prospective students determine their personal financial aid requirements and assistance that is available to them.
- Career and Job Service Assistance. Services will be provided to help graduates write and place resumes, list their resumes with prospective employers and job search entities and review corporate career opportunities place with @theU by prospective employers. Career and salary information will also be provided.
- Chat Rooms. Chat rooms oriented towards High Schools, Colleges, classes, sports, national events and other pertinent topics will be structured and provided. Free e-mail will also be considered as a product offering.
- Testing Services and Pre-College Exam Studies. Information and study assistance that helps prospective college students prepare for College testing will be available.
- Research and Homework Services. Research services that assistance students with topical homework assignments and other class work involving extensive data and knowledge acquisition will be provided.
- Movie Reviews, Video Games and Music. Information and reviews on current movies will be accessible. Video games and MP-3 music downloads will also be made available to all members.
- An @theU Scholarship. An in house @theU scholarship will be available to members. This may be sponsored in part by Unipac's lending partners, and we

may allow Unipac's lending partners to provide their own individual scholarships on the site.

- Partnership Affiliations. @theU will consider affiliations with other web services/sites where the synergy and business opportunities work appropriately for both parties.
- Concert Tickets. Along with the current Event Center service which gives dates and locations of specified concerts, @theU will also provide the ability for users to purchase tickets to the same events.

There are many more services and opportunities that will be considered and added as time goes on. The site will change often as it need to be dynamic and constantly changing to keep members interest and to improve the service offerings.

TARGET MARKETS

The target market of the site will encompass multiple layers of the national population. While the service is intended to draw all of the national population, we will be unable to financially promote to that broad of audience initially. Consequently, the target audience in order of priority is:

- The existing student and customer base of Unipac
- The entire college student population nationally
- High school students and their parents nationally
- The general population across the country

Promotional information will be provided to colleges, high schools and other industry participants to make them aware of the site and to solicit their endorsement and support of the site with their customers.

PROMOTION PLAN

@theU is being promoted in a controlled and financially conservative fashion. As noted above, our promotion is oriented to our primary target markets first, and will then phase into our broader markets after our primary markets have been addressed. It is important to note that promotion is where most Internet companies spend their dollars. It is very expensive to get national saturation. We feel with intelligent niche marketing we can get the most bang for our buck. However, @theU will never be able to match promotion campaigns of what a normal national Internet business would undertake. The good news is that it is possible for us to inform a great number of students and related prospects with @theU promotional material for reasonable costs. This will slowly but surely build traffic at the site. The initial promotional activities that have been completed, or soon will be are as follows:

- Informational letter to clients
- Search engine positioning (@theU is coming up 1st in some engines and is in the top 10 in almost all others)
- Informational letter to schools
- Industry Press release, pre notification
- Demos to clients
- IVR message (@theU is promoted on our taped hold message on Unipac's customer service phone lines)
- Scratch pads given to employees with @theU logo
- @theU booth at NAASFA convention in Las Vegas
- Informational letter to Remote clients
- Bookmarks created for student distribution
- @theU brochure created for general distribution
- Inserts placed in all monthly statements Unipac mails to borrowers
- Informational line printed on all monthly statements
- Adds placed in the campus newspapers of the 22 of the largest college campuses
- Local and national press releases distributed. This was repeated three Mondays in a row to Internet and Industry publications, newspaper syndicates, and national media publications such as Time, Newsweek, Money and Wall Street Journal (we are seeing publications pick up our releases and are receiving interview and information requests; Smart Money Magazine and Bloomberg Financial Review are the most recent inquirers)
- Mailings to 35,000 High School guidance counselors will commence shortly
- E-mails are sent to new registrants of the site welcoming them, when Unibucks are redeemed and when there has been no new activity from a member after 120 days
- Posters with tear off information will be made available to Colleges and High Schools
- Links from Unipac client sites and others will be implemented
- Additional mailings to clients and others will be completed

@theU will be completing the next promotion plan in the near future. Promotion will be an ongoing never-ending endeavor that continues to build upon itself. Our goal is to get @theU as ubiquitous as the SLMA and USA Group press machine has gotten their companies. We cannot do this via brute force, and dollars, as they have, but again with intelligent expenditure of how and where we spend our dollars we can be just as effective. We have also received calls from MSN and America Online inquiring as to our business and possible promotional activities with them. We are pursuing these conversations to see what possibilities may exist with organizations of that stature. These inquiries tell us that our promotions to date are working, and we are being successful positioning @theU to receive national exposure. We are also pursuing a relationship

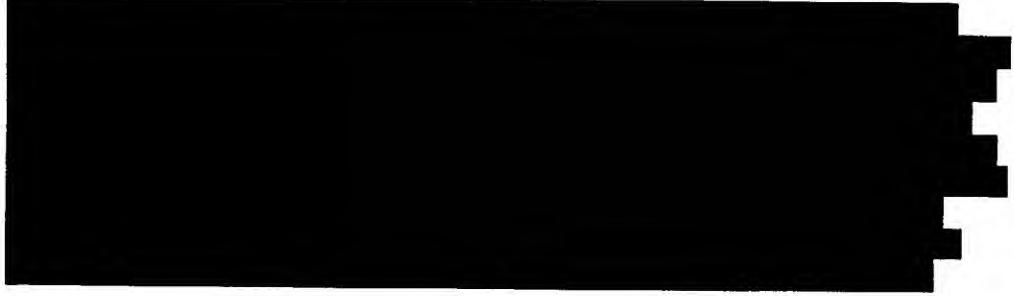
with a national publicity firm to explore the costs and benefits of using a firm of this type to do some limited and defined work for us.

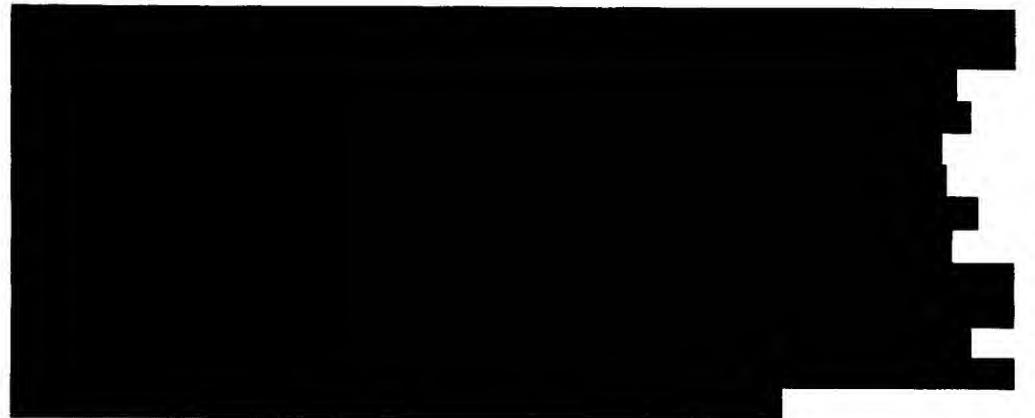
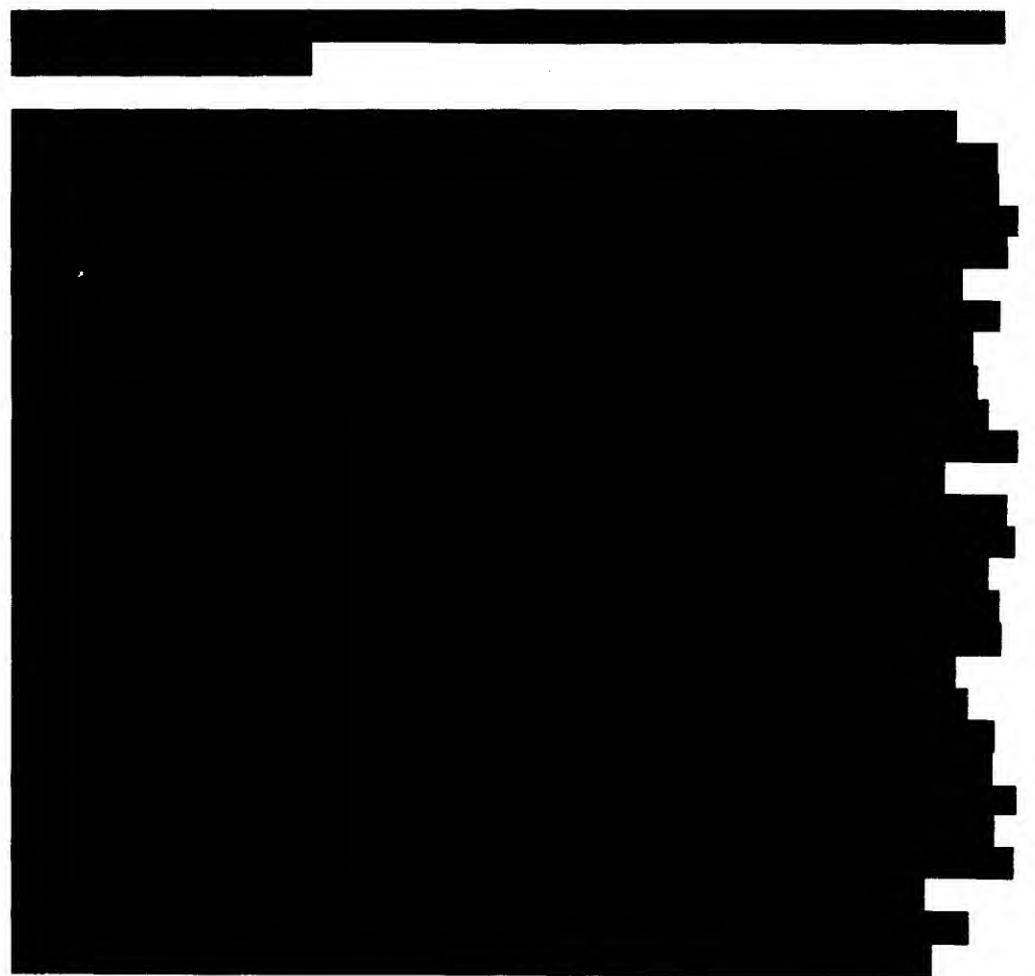
COMPETITION

There are numerous web sites existing today offering any number of services and products to students, colleges, high schools and attendant related parties. @theU is the first and to date the only known site that is offering a loyalty program to students and borrower/parents/friends of student loan holders. Unipac is attempting to leverage this advantage of being first by gaining national exposure as quickly as possible to promote the site. Being first will garner the most interest, and the most retention as long as promotion continues. If @theU becomes well established, then when a copycat does come along, they will receive less attention, and harder entry to the same customer base. Of course, heavy financial dollar-promotion can offset some of this disadvantage, and @theU needs to plan on a well-funded player entering the marketplace. @theU has one very large additional advantage over a new player entering the market and that is its existing customer base. While a new entry would have to appeal to the general public to garner support, the Unipac customer base gives @theU a built in customer base, with loans being serviced at Unipac, that can be leveraged to use the sites services and rewards. In the worst event, @theU can be a viable product with only the Unipac customer base without any national user attraction.

To date, other related educational sites are appealing to the schools as the beneficiary of these sites rewards. Revenues are shared with the colleges, high schools or alumni associations. The students are being largely ignored as beneficiaries. This is due to the schools being the controlling entity today as to what lenders are involved in making loans to their students, and in the rest of the financial aid process. However, @theU will likely cause others to examine our strategy of appealing to the student consumer. The biggest risk factor to @theU will be existing large players in the student loan industry such as SLMA and USA Group, who have large customer bases and who have significant financial and promotional resources that could overwhelm the present resources available to @theU.

FINANCIALS





SUMMARY

@theU offers a unique business opportunity in the Internet environment. The concept of providing benefits to student borrowers via a loyalty program is unique to @theU to date in the industry, and @theU has a significant head start promoting the concept and is garnering national attention. The site is being improved and advanced consistently with new features and products to keep it fresh and attractive to users. Over the next three years funding as shown will be required to build the site to a level where it can begin to provide significant earnings. @theU is truly an Internet business with all of the attendant risks and rewards. The intrinsic market value of the company could become enormous as the site popularity grows. It is a business that in conjunction with Unipac's core business, offers an opportunity to diversify and create great value, both in terms of business worth and of enhancing current business.

Most current Internet companies are unprofitable, competing for market share. Winners of this competition stand to reap enormous financial benefits. Similar to the newspaper wars, competing companies vying for market share, the winner takes all. Some .com companies have re-invented themselves, and their success has seen them take over the parent company. Others companies have started fresh without constraints of brick and mortar, and without being bound by corporate overhead and traditional constraints. Not having a unique .com business plan in today's electronic based business environment is suicidal for any business.